



First Union Rail Corporation
NC5811
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018-4214
Tel 847 318-7575
Fax 847 318-7588

May 10, 2001

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment



VIA UPS NEXT DAY AIR

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated March 8, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 22775.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Norfolk Southern Railway Company
110 Franklin Road SE
Roanoke, VA 24042-0072

A description of the railroad equipment covered by the enclosed document is sixty-six (66) 5150 cubic foot covered hopper cars, equipped with trough hatches and gravity outlet gates, with car numbers NS 292930-292997, non-inclusive.

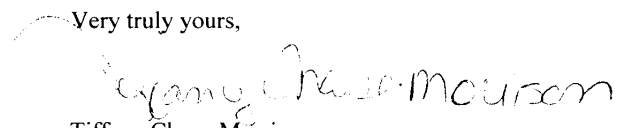
A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and Norfolk Southern Railway Company, Lessee, covering 66 5150 cubic foot covered hopper cars, equipped with trough hatches and gravity outlet gates, with car numbers NS 292930-292997, non-inclusive.

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,


Tiffany Chase-Morrison
Manager of Documentation

Enclosures

(NS036)

RECORDATION NO. 22775-A FILED

MAY 23 '01 9-39 AM
TS
SURFACE TRANSPORTATION BOARD

ASSGN. NO.: NS036

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 8th day of March, 2001 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Norfolk Southern Railway Company, a Virginia corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of August 30, 1996, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 22 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of April 1, 2001 and subject to the terms, conditions and provisions of the above mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]
Name: [Signature]
Title: [Signature]

By: [Signature]
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 8th day of March, 2001

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 8th day of March, 2001.

[Signature]
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)

RECORDATION NO. 22775-A FILED

MAY 23 '01 9:39 AM

SURFACE TRANSPORTATION BOARD

LESSEE:

NORFOLK SOUTHERN RAILWAY COMPANY

ATTEST:

By: LA Brooks
Name: LA Brooks
Title: Asst Mgr

By: S m Reynolds
Name: S m Reynolds
Title: MANAGER-PURCHASING

Executed on this 14 day of March, 2001.

[CORPORATE SEAL]

STATE OF VIRGINIA

COUNTY OF ROANOKE

I, E. L. BARNETT, a Notary Public of the County and State aforesaid, certify that S. m. Reynolds personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 14th day of MARCH, 2001.

E. L. Barnett
Notary Public

My Commission Expires:

1-31-2003
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Sixty-eight (68)

DESCRIPTION OF CARS: 5150 cu. ft. covered hopper cars, equipped with
trough hatches and gravity outlet gates

CAR NUMBERS: NS 292930 – 292997
(NS 292984 and NS 292976 destroyed: ~~to be substituted~~) *SMR* *BFS*
3/14/01